# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:5229
ANSWERED ON:20.04.2001
MEETING OF HEADS OF BANKS
C. SREENIVAASAN;PUTTASWAMY GOWDA;SU THIRUNAVUKKARASAR

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Finance Minister held a meeting of all the heads of public sector banks recently;

(b) if so, the details thereof and the points which were discussed in the meeting;

(c) whether the Reserve Bank of India`s failure to effectively monitor the performance of Cooperative Banks such as Madhavpura Cooperative Marcantile Bank was also discussed in the meeting; and

(d) if so, the details thereof and if not, the reasons therefor?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (b) : Finance Minister addressed a meeting of the Chief Executives of all the public sector banks organised by Indian Banks` Association on 7th April, 2001 in New Delhi. The following points were inter alia discussed in the above meeting :

i) Management of Non Performing Assets (NPAs) with particular reference to the recoveries underOne Time Settlements Scheme of Reserve Bank of India (RBI).

ii) Manpower Planning and Voluntary Retirement Scheme (VRS) in public sector banks.

iii) Recruitment Procedures after abolition of Banking Service Recruitment Boards (BSRBs).

iv) Priority Sector Lending with particular reference to Agriculture Credit and the Kisan Credit Card Scheme.

v) Customer service in public sector banks and impact of VRS thereon.

(c) : The impact on Banks of recent developments in the Stock Market including the failure of Madhavpura Mercantile Cooperative Bank to honour its Pay Orders discounted by Bank of India, were also discussed in the meeting.

(d) : RBI is issuing fresh guidelines regarding exposure of banks to stock market and brokers. Banks were asked to streamline and tighten their internal controls against settlement risks and counter party risks and ensure complete adherence to RBI exposure norms regarding stock market.